

(A) enter into a contract with the Secretary to increase bioenergy production for 1 or more fiscal years; and

(B) submit to the Secretary such records as the Secretary may require as evidence of increased purchase and use of eligible commodities for the production of bioenergy.

### **(3) Payment**

#### **(A) In general**

Under the program, the Secretary shall make payments to eligible producers, based on the quantity of bioenergy produced by the eligible producer during a fiscal year that exceeds the quantity of bioenergy produced by the eligible producer during the preceding fiscal year.

#### **(B) Payment rate**

##### **(i) Producers of less than 65,000,000 gallons**

An eligible producer that produces less than 65,000,000 gallons of bioenergy shall be reimbursed 1 feedstock unit for every 2.5 feedstock units of eligible commodity used for increased production.

##### **(ii) Producers of 65,000,000 or more gallons**

An eligible producer that produces 65,000,000 or more gallons of bioenergy shall be reimbursed 1 feedstock unit for every 3.5 feedstock units of eligible commodity used for increased production.

#### **(C) Quarterly payments**

The Secretary shall make payments to an eligible producer for each quarter of the fiscal year.

### **(4) Proration**

If the amount made available for a fiscal year under subsection (c) of this section is insufficient to allow the payment of the amount of the payments that eligible producers (that apply for the payments) otherwise would receive under this subsection, the Secretary shall prorate the amount of the funds among all such eligible producers.

### **(5) Overpayments**

If the total amount of payments that an eligible producer receives for a fiscal year under this section exceeds the amount that the eligible producer should have received under this subsection, the eligible producer shall repay the amount of the overpayment to the Secretary, with interest (as determined by the Secretary).

### **(6) Limitation**

No eligible producer shall receive more than 5 percent of the total amount made available under subsection (c) of this section for a fiscal year.

### **(7) Other requirements**

To be eligible to receive a payment under this subsection, an eligible producer shall meet other requirements of Federal law (including regulations) applicable to the production of bioenergy.

### **(c) Funding**

Of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out this section—

(1) not more than \$150,000,000 for each of fiscal years 2003 through 2006; and

(2) \$0 for fiscal year 2007.

(Pub. L. 107-171, title IX, §9010, May 13, 2002, 116 Stat. 485.)

## **§ 8109. Research, extension, and educational programs on biobased energy technologies and products**

### **(a) Purposes**

The purposes of the programs established under this section are—

(1) to enhance national energy security through the development, distribution, and implementation of biobased energy technologies;

(2) to promote diversification in, and the environmental sustainability of, agricultural production in the United States through biobased energy and product technologies;

(3) to promote economic diversification in rural areas of the United States through biobased energy and product technologies; and

(4) to enhance the efficiency of bioenergy and biomass research and development programs through improved coordination and collaboration between the Department of Agriculture, the Department of Energy, and the land-grant colleges and universities.

### **(b) Definitions**

In this section:

#### **(1) Land-grant colleges and universities**

The term “land-grant colleges and universities” means—

(A) 1862 Institutions (as defined in section 7601 of this title);

(B) 1890 Institutions (as defined in section 7601 of this title) and West Virginia State College; and

(C) 1994 Institutions (as defined in section 7601 of this title).

#### **(2) Secretary**

The term “Secretary” means the Secretary of Agriculture.

### **(c) Establishment**

To carry out the purposes described in subsection (a) of this section, the Secretary shall establish programs under which—

(1) the Secretary shall provide grants to sun grant centers specified in subsection (d) of this section; and

(2) the sun grant centers shall use the grants in accordance with this section.

### **(d) Grants to centers**

The Secretary shall use amounts made available for a fiscal year under subsection (j) of this section to provide a grants in equal amounts to each of the following sun grant centers:

#### **(1) North-central center**

A north-central sun grant center at South Dakota State University for the region composed of the States of Illinois, Indiana, Iowa, Minnesota, Montana, Nebraska, North Dakota, South Dakota, Wisconsin, and Wyoming.

#### **(2) Southeastern center**

A southeastern sun grant center at the University of Tennessee at Knoxville for the region composed of—

(A) the States of Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee, and Virginia;

(B) the Commonwealth of Puerto Rico; and  
(C) the United States Virgin Islands.

**(3) South-central center**

A south-central sun grant center at Oklahoma State University for the region composed of the States of Arkansas, Colorado, Kansas, Louisiana, Missouri, New Mexico, Oklahoma, and Texas.

**(4) Western center**

A western sun grant center at Oregon State University for the region composed of—

(A) the States of Alaska, Arizona, California, Hawaii, Idaho, Nevada, Oregon, Utah, and Washington; and

(B) territories and possessions of the United States (other than the territories referred to in subparagraphs (B) and (C) of paragraph (2)).

**(5) Northeastern center**

A northeastern sun grant center at Cornell University for the region composed of the States of Connecticut, Delaware, Massachusetts, Maryland, Maine, Michigan, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Vermont, and West Virginia.

**(e) Use of funds**

**(1) Centers of excellence**

Of the amount of funds that are made available for a fiscal year to a sun grant center under subsection (d) of this section, the center shall use not more than 25 percent of the amount for administration to support excellence in science, engineering, and economics at the center to promote the purposes described in subsection (a) of this section through the State agricultural experiment station, cooperative extension services, and relevant educational programs of the university.

**(2) Grants to land-grant colleges and universities**

**(A) In general**

The sun grant center established for a region shall use the funds that remain available for a fiscal year after expenditures made under paragraph (1) to provide competitive grants to land-grant colleges and universities in the region of the sun grant center to conduct, consistent with the purposes described in subsection (a) of this section, multiinstitutional and multistate—

(i) research, extension, and educational programs on technology development; and

(ii) integrated research, extension, and educational programs on technology implementation.

**(B) Programs**

Of the amount of funds that are used to provide grants for a fiscal year under subparagraph (A), the center shall use—

(i) not less than 30 percent of the funds to carry out programs described in subparagraph (A)(i); and

(ii) not less than 30 percent of the funds to carry out programs described in subparagraph (A)(ii).

**(3) Indirect costs**

A sun grant center may not recover the indirect costs of making grants under paragraph (2) to other land-grant colleges and universities.

**(f) Plan**

**(1) In general**

Subject to the availability of funds under subsection (j) of this section, in cooperation with other land-grant colleges and universities and private industry in accordance with paragraph (2), the sun grant centers shall jointly develop and submit to the Secretary, for approval, a plan for addressing at the State and regional levels the bioenergy, biomass, and gasification research priorities of the Department of Agriculture and the Department of Energy for the making of grants under paragraphs (1) and (2) of subsection (e) of this section.

**(2) Gasification coordination**

**(A) In general**

In developing the plan under paragraph (1) with respect to gasification research, the sun grant centers identified in paragraphs (1) and (2) of subsection (d) of this section shall coordinate with land grant colleges and universities in their respective regions that have ongoing research activities with respect to the research.

**(B) Funding**

Funds made available under subsection (d) of this section to the sun grant center identified in subsection (e)(2) of this section shall be available to carry out planning coordination under paragraph (1) of this subsection.

**(g) Grants to other land-grant colleges and universities**

**(1) Priority for grants**

In making grants under subsection (e)(2) of this section, a sun grant center shall give a higher priority to programs that are consistent with the plan approved by the Secretary under subsection (f) of this section.

**(2) Term of grants**

The term of a grant provided by a sun grant center under subsection (e)(2) of this section shall not exceed 5 years.

**(h) Grant information analysis center**

The sun grant centers shall maintain a Sun Grant Information Analysis Center at the sun grant center specified in subsection (d)(1) of this section to provide sun grant centers analysis and data management support.

**(i) Annual reports**

Not later than 90 days after the end of a year for which a sun grant center receives a grant under subsection (d) of this section, the sun grant center shall submit to the Secretary a report that describes the policies, priorities, and operations of the program carried out by the